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PCSW

Permanent Commission on the Status of Women

The State's leading force for women's equality

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Testimony of
Carolyn Treiss, Executive Director
The Permanent Commission on the Status of Women
Before the
Labor and Public Employees Committee
February 17, 2015

Senators Winfield and Hwang, Representatives Tercyak and Rutigliano, and distinguished members of the Labor Committee, my name is Carolyn Treiss and I am the Executive Director of Connecticut's Permanent Commission on the Status of Women (PCSW). As a non-partisan arm of the General Assembly, the PCSW monitors, critiques and recommends changes to legislation to inform public policy, and assesses programs and practices in State agencies for their effect on the state's women. Thank you for this opportunity to provide testimony today on several bills of interest to the PCSW.

Proposed S.B. No. 446 AN ACT CONCERNING THE DEFINITION OF THE TERM
"DOMESTIC WORKER"

Acknowledging that Connecticut's current statutory landscape does not adequately protect the rights of domestic workers in Connecticut, in the 2014 Legislative Session the General Assembly passed Special Act 14-17, which created a Task Force on Domestic Workers to study issues involving domestic workers and to make recommendations for legislative initiatives to address the issues identified. The PCSW is honored to have a seat at that table, as domestic workers, a female-dominated profession, have historically received wages well below the poverty line and continue to be excluded from some of the most fundamental labor protections other workers in Connecticut enjoy.

The Task Force is currently exploring the definition of *domestic worker* and has not yet reached a consensus. The PCSW believes that last year's bill, H.B. 5527, as originally raised in committee, offers a good starting place for discussions on the definition and on the rights that should be afforded domestic workers. H.B. 5527 identified the following key criteria in the definition of domestic worker:

- The individual is paid by the owner of a private dwelling, to perform work in that dwelling, maintaining the home itself or caring for the young, disabled, ill or elderly inhabitants of that dwelling;
- Domestic worker does not include a babysitter whose work is irregular, intermittent or of a casual nature;
- Domestic worker does not include personal care attendants providing services under to state-funded programs.

It may be advisable to add a clarification that a domestic worker may live in the private dwelling in which she works or may maintain a residence outside of the private dwelling. Another consideration is whether the domestic worker is employed by an agency or directly by the owner of the private dwelling and whether that distinction is a meaningful one in terms of necessary protections.

In terms of protections, H.B. 5527 offered domestic workers coverage under state minimum wage and overtime laws, paid time off, protection for on-the-job injuries, protection from harassment and discrimination, privacy protections and industry-specific workplace protections. The PCSW would recommend additional protections against human trafficking, as recommended by some members of the Trafficking in Persons Council. Since domestic workers are primarily immigrant women, service in private homes is a prime area for human trafficking. In 2013, the International Institute of Connecticut served 54 human trafficking clients, and 11 of those were in domestic labor trafficking situations (10 female and 1 male);¹ and in 2012, the National Human Trafficking Resource Center identified 14 potential human trafficking matters in Connecticut, including two domestic worker cases.² Additional monitoring and surveillance by governmental entities will increase the detection and prevention of human trafficking.

PCSW again thanks the committee for including our voice on the Task Force and looks forward to our continuing discussions on this issue so critical to so many women working without protections in vulnerable work situations.

Proposed S.B. No. 428 AN ACT PROTECTING INTERNS FROM WORKPLACE HARASSMENT AND DISCRIMINATION

The PCSW thanks this bill's sponsors as well as the committee for understanding the need to close this gaping loophole in workplace harassment and discrimination law. It may come as a surprise to some that unpaid interns who experience sexual harassment or discrimination in the workplace have no recourse under federal or state law, as they do not fall within the definition of "employee." A select few states, including Oregon and Illinois, as well as New York City and Washington, D.C., have made changes to their laws to provide protections to unpaid interns and the Texas legislature is currently considering such a proposal.

Unpaid interns, by virtue of their very status, are in particularly vulnerable positions with regard to sexual harassment and discrimination. The power differential between an intern and supervisor is significant – interns are trying to build a reputation, make a positive impression and leave the internship with a good reference for future employment opportunities – all of which can be exploited by unscrupulous supervisors wishing to take advantage of the situation. Without protection against retaliation for making a complaint, interns' voices are effectively silenced while discrimination against – and harassment of – interns can go unchecked in the workplace.

The PCSW urges the committee's support for this proposal and would respectfully welcome the opportunity to work with the committee on drafting the specifics of the language.

Proposed H.B. No. 5848 AN ACT CONCERNING WOMEN RE-ENTERING THE WORKFORCE.

This bill would create a workforce re-entry program, administered by the Department of Labor, aimed specifically at women returning to work after absences from the workforce. It would provide technical training, interview skills and other training appropriate for women returning to work. The PCSW applauds the bill's

¹ International Institute of Connecticut (March 4, 2014).

² National Human Trafficking Resource Center (2012), Data Breakdown: Connecticut State Report.

sponsors for acknowledging the difficulties facing women who attempt to re-enter the workforce after extended time away, often to care for children or aging family members.

A woman's ability to successfully re-enter the workforce is essential to improving her earnings and savings prospects over the long run. However, extended separation from the workforce can damage a woman's professional development and long-term economic security, through: reduced earning power, fewer promotional prospects, lessened contributions to Social Security, weakened personal retirement savings, and curtailed asset-building capability overall. When a woman is ready to return to work, she should have every opportunity to enter the right job at a level commensurate with her previous experience and education. It can be a daunting prospect, however, to explain to prospective employers a decade or more hiatus from the workforce.

The population that the bill seeks to serve is not entirely clear from the language as currently written. Would the program serve any woman who has been out of the workforce and for what length of time? Or is the intent that the program be tailored to serve women who have lost their jobs and experienced long-term unemployment? Would there be income eligibility criteria for the program?

We appreciate the committee's interest in addressing women's workforce needs and would respectfully request to be included in any continuing discussions regarding the specifics of the proposed program so that it can be crafted to meet an identified need in a specific population of women.

Proposed H.B. No. 5858 AN ACT PROVIDING FUNDING TO THE CONNECTICUT RETIREMENT SECURITY BOARD

In the 2014 legislative session, the PCSW supported the creation of the Connecticut Retirement Security Board because many women retire with income that is insufficient to sustain them during retirement. Twenty-five percent of women have neither retirement savings nor other savings, compared with 18% of men.³ Elderly women represent 58% of the Connecticut's elderly population and 68% of the elderly population over the age of 85.⁴

Social Security is the *only* source of income for one out of five older adults in Connecticut and virtually the only source of income for 40% of older women in Connecticut.⁵ The average monthly Social Security check received by women was \$774 per month versus \$1,006 for men.⁶

However, a single elder needs between \$1,700 and \$2,600 a month to cover basic expenses (housing, healthcare, transportation and food).⁷ An elderly couple receives an average monthly income of \$1780, but needs between \$2,600 to \$3,500 a month to cover basic expenses.⁸

Average Connecticut workers who save more than \$100 per month – \$118 for single workers and \$132 for couples – consistently during their careers, greatly increase their ability to age in their homes and enjoy basic economic security in retirement.⁹

Accessible and affordable asset building and retirement plan options are needed to ensure that elders can retire with adequate incomes to meet basic living expenses. Last year, this committee recognized the importance of

³ Employee Benefit Research Institute (2009): 2008 Retirement Confidence Survey.

⁴ U.S. Census Bureau (2010). American Fact Finder, 2010 Profiles of General Population and Housing Characteristics.

⁵ The Gerontology Institute, endnote 3.

⁶ U.S. Department of Labor (2008): Women and Retirement Savings.

⁷ The Gerontology Institute, endnote 3.

⁸ The Gerontology Institute, endnote 3.

⁹ Wider Opportunities for Women (2012). The Basic Economic Security Tables™ Index (BESI) for Connecticut. Prepared for the Permanent Commission on the Status of Women.

this by creating the Connecticut Retirement Security Board and appropriating some funding to cover the cost of staff and initial work by consultants. However, the Board is in need of continued funding to complete its work and deliver a thorough study that gives due consideration to this very complex issue. We ask that the committee continue your commitment to this concept and to the Board by moving this bill out of committee so that funding can be considered in the appropriations process.

Proposed H.B. No. 5865 AN ACT CONCERNING CREDIT CARD TRANSACTIONS AND GRATUITIES.

The PCSW supports this bill which would prohibit restaurants from deducting credit or debit card processing transaction fees from a server's tip, when the bill and tip are paid by credit or debit card.

The practice is allowed under federal law and the U.S. Department of Labor leaves the decision to prohibit the practice to the states. Oregon, Colorado, Montana, Nevada, Alaska and California have all made it illegal for restaurants to do so, and Washington requires notification to patrons of the practice.

Restaurant workers are paid a "tipped wage" which means that their actual wages are far less than the minimum wage (currently \$5.78), with the expectation that they make up the rest in tips. If the worker does not receive sufficient tips in the workweek to meet minimum wage, then the employer is required to make up the difference (the current maximum tip credit is \$3.37). It is unconscionable and unfair that a restaurant owner would deduct a basic cost of doing business from the tips of their staff. At the very least, restaurant patrons should have knowledge that when they use a credit or debit card to recognize good service on the part of the staff, a portion of that tip will not be given to the staff it is intended for.

This is a basic issue of both fairness for the worker and awareness for the consumer and we urge the committee's support.

Proposed H.B. No. 6249 AN ACT ESTABLISHING A TAX CREDIT PROGRAM FOR EMPLOYERS WHO OFFER ON-SITE CHILD DAY CARE OPTIONS FOR EMPLOYEES.

Proposed H.B. No. 6566 AN ACT ESTABLISHING A TAX CREDIT FOR EMPLOYERS WHO PROVIDE PAID FAMILY AND MEDICAL LEAVE IN EXCESS OF THE LEAVE REQUIRED BY LAW.

The PCSW thanks the bills' sponsors for attempting to address the two primary reasons why women in Connecticut's workforce work part-time: child care problems and family and personal obligations.¹⁰ We also believe that employers should be encouraged to do the right thing by fostering workplace policies and programs that assist their employees to achieve a better work/life balance.

Tax credit programs, however, should not be viewed as substitutes for comprehensive, statewide policies, the benefits of which should be available to all of Connecticut's workers regardless of their place of employment.

¹⁰ PCSW and IWPR (2014). The Status of Women in Connecticut's Workforce.